

# TECHNICAL MEMORANDUM

## Utah Coal Regulatory Program

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September 8, 2010

TO: Internal File

THRU: April Abate, Team Lead *GAO 9-8-2010*

FROM: Jim Smith, Permit Supervisor *DS 8 Sept 2010*

RE: Construction of Sand and Salt Storage Bin, Canyon Fuel Company, LLC, SUFCO Mine, C/041/002, Task #3610

### SUMMARY:

Canyon Fuel Company, LLC proposes to construct a concrete sand and salt storage bin and a lump coal conveyor belt. SUFCO is in the process of upgrading its lump coal circuit and is planning to install a new conveyor off the stoker that will convey lump coal to a lump coal storage bin. The sand and salt storage bin will be constructed adjacent to the lump coal storage bin and will be within the footprint of the existing disturbed area.

The new surface features are within the disturbed area boundary with no additional disturbance anticipated. Updated bond calculations and spreadsheets were included in the submittal adding the additional structures and took into account the amount of concrete to be demolished for reclamation. All costs fall well within the existing surety bond for SUFCO.

### RECOMMENDATION:

This application is recommended for approval.

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**TECHNICAL ANALYSIS:**

**GENERAL CONTENTS**

**MAPS AND PLANS**

Regulatory Reference: 30 CFR 777.14; R645-301-140.

**Analysis:**

Canyon Fuel has proposed to install a new concrete sand and salt storage bin. A figure labeled Sheet 1 was submitted showing the surface facilities with the proposed salt and sand storage bin and the lump coal conveyor off the stoker bin leading to the lump coal storage area. An engineering diagram showing the sand and salt storage bin was also included in the submittal. The Permittee has indicated that Plate 5-2A depicting the East Spring Canyon surface facilities will be submitted once construction is complete.

**Findings:**

The application meets the requirements of the R645 regulations with regard to maps and plates.

**OPERATION PLAN**

**MINING OPERATIONS AND FACILITIES**

Regulatory Reference: 30 CFR 784.2, 784.11; R645-301-231, -301-526, -301-528.

**Analysis:**

The construction of a new concrete sand and salt storage bin and lump coal conveyor will be in within the existing disturbed area. No new disturbance area will be created. There will be no change in the runoff, vegetation, or topsoil of the area. The principal change is that the existing sand and salt concrete structure will be converted to a lump coal storage unit and the new sand and salt storage bin will be constructed adjacent (north). Table 5-4 was submitted updating the list of existing structures to include the lump coal belt.

**Findings:**

The application meets the requirements of the R645 regulations with regard to mining facilities.

## **RECLAMATION PLAN**

### **GENERAL REQUIREMENTS**

Regulatory Reference: PL 95-87 Sec. 515 and 516; 30 CFR Sec. 784.13, 784.14, 784.15, 784.16, 784.17, 784.18, 784.19, 784.20, 784.21, 784.22, 784.23, 784.24, 784.25, 784.26; R645-301-231, -301-233, -301-322, -301-323, -301-331, -301-333, -301-341, -301-342, -301-411, -301-412, -301-422, -301-512, -301-513, -301-521, -301-522, -301-525, -301-526, -301-527, -301-528, -301-529, -301-531, -301-533, -301-534, -301-536, -301-537, -301-542, -301-623, -301-624, -301-625, -301-626, -301-631, -301-632, -301-731, -301-723, -301-724, -301-725, -301-726, -301-728, -301-729, -301-731, -301-732, -301-733, -301-746, -301-764, -301-830.

**Analysis:**

There is no real change to the reclamation plan as a result of this amendment. Demolition of the proposed concrete bin and lump coal conveyor belt and associated concrete pad will create addition demolition yardage of 75 cubic yards. Demolition and reclamation will take place with the rest of the mine facilities.

**Findings:**

The application meets the requirements of the R645 regulations with regard to general reclamation requirements.

### **BONDING AND INSURANCE REQUIREMENTS**

Regulatory Reference: 30 CFR Sec. 800; R645-301-800, et seq.

**Analysis:**

**General**

New bond calculation sheets were submitted adding the lump coal conveyer and the sand and salt storage bin showing a revised cost estimate associated with the demolition and removal.

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The addition of these new surface facilities will increase the concrete demolition yardage by 75 cubic yards - well within the limits of the present SUFCO bond.

**Determination of Bond Amount**

Line items were added to the bond cost estimate to reflect the addition of the lump coal conveyor belt and the sand and salt storage bin adding costs of \$533.00 and \$1,516.00, respectively plus the demolition of the additional 75 cu yards of concrete adds \$2,215.00. The additional costs total \$4,264.00. This is insignificant in comparison to the \$2,874,000 bond currently held and is well within the excess bond amount currently posted by the company.

**Findings:**

The application meets the requirements of the R645 regulations with regard to bonding requirements.

**RECOMMENDATION:**

This application is recommended for approval.